

# EXTENSIONS AND SPECIAL PROGRAMS

## IN GENERAL

The previous chapter dealt with duration of benefits in terms of the regular UI program. However, extensions of UI are available under certain circumstances. In addition, some programs provide benefits under conditions when UI is not normally payable. This chapter covers these special programs. In particular, it discusses extensions of benefits such as:

- State additional benefits (AB) programs;
- The Federal-State Extended Benefits (EB) Program;
- Trade Readjustment Allowances (TRA).

This chapter also includes information on the Disaster Unemployment Assistance (DUA) program which provides assistance to individuals who are unemployed due to a disaster and who are ineligible for UI. Finally, it addresses programs commonly described as “alternative use” programs in that they allow payment of UI under circumstances in which a worker would normally be ineligible. These include:

- Short-time Compensation (Worksharing);
- Self-Employment Assistance (SEA).

## PROGRAMS FOR EXTENDED DURATION

**ADDITIONAL BENEFITS**—A few states have solely state-financed programs for extending the potential duration of benefits during periods of high unemployment, for claimants in approved training who exhaust benefits, or for a variety of other reasons. Although some state laws call these programs “extended benefits,” this document uses the term “additional benefits” to avoid confusion with the Federal-State EB program. The following table includes information about states that have permanent AB programs.

Caution should be taken in using the following table because (1) some AB programs may be subject to annual legislative appropriations, meaning they may not be in effect, and (2) short-term AB programs will not be indicated if their legislative authorization expired prior to publication.

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**TABLE 4-1: STATES WITH ADDITIONAL BENEFITS PROGRAMS**

<b>State</b>	<b>Name of Extension</b>	<b>Duration</b>	<b>To Whom/When Payable</b>	<b>Miscellaneous</b>
AK	Supplemental Benefits	13 weeks	If claimant exhausts regular UI and does not qualify monetarily.	Permanent.
CA	Extended Duration Benefits	13 weeks	Payable to exhaustees who are not entitled to normal benefits if they meet applicable eligibility requirements for normal benefits, are not subject to disqualification, and are not under a disqualification for normal benefits.	Triggers if insured unemployment rate equals or exceeds 6%.
CT	Additional Benefits During Periods of Substantial Unemployment	13 weeks	Individuals who are not entitled to extended benefits for the federal state EB program that week.	Triggers if an EB period is in effect.
DC	Additional Benefits	Two 5-week phases	Paid to qualified claimants. Claimants must apply for phase two additional benefits by providing specific information about work search efforts made during phase one.	If insured rate of unemployment is 3.75% or higher and no federal program in effect.
HI	Additional Unemployment Compensation	13 weeks	Unemployed as a result of natural or man made disaster, as declared by the Governor. Must exhaust regular UI, not qualify for UI monetarily, or be self employed.	Must be approved by Governor.
IL	Additional Benefits	13 weeks	High unemployment or other specified factors.	State must chooses to finance these benefits.
IA	Extended Benefits	13 weeks	If unemployed due to last employer going out of business, wage credits are recomputed up from 1/3 of wages for insured work to 1/2.	Permanent.
MA	Additional Benefits	18 weeks	For attending approved training course which, in opinion of Commissioner, will aid in finding appropriate employment. Only paid while attending such course, and only if exhausted all rights to regular and extended benefits and has no rights to benefits any other state or federal law.	Determined by the Commissioner.
MI	Extended Training or Retraining Benefits	18 weeks	Must be approved training and is separate from TRA.	Permanent.
MN	Additional Benefits	13 weeks	If claimant was laid off from main base period employer; that employer had 100 or more workers; employer laid off at least 50% of workforce; employer has no intentions of rehiring claimant; claimant exhausted regular UI; and facility is located in county with unemployment rate at least 10% from 3 months before to 3 months after lay off.	Determined by the Commissioner.
NJ	Additional Benefits During Training	26 weeks	Dislocated workers unlikely to return to previous employment because opportunities in the job classification are impaired due to substantial reduction in employment at worksite. Training must be for a labor demand occupation and must be approved.	Permanent. Prohibition triggers if amount of AB paid exceeds prescribed amount.
NY	Additional Training Benefits	104 effective days	Claimant must be in approved training, separate from TRA.	Permanent.

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State	Name of Extension	Duration	To Whom/When Payable	Miscellaneous
OR	Supplemental Benefits	26 weeks	Dislocated workers in approved training and workers whose unemployment resulted from the return to service in the Oregon National Guard or the military reserve forces of the U.S. following active duty service in IRAQ and Afganastan. [unemployment substantially due to lack of job opportunities in local labor market due to 1) high energy costs, 2) extended drought conditions and attendant economic conditions, 3) secondary effects of foreign trade, and 4) shift of production to another state or US territory .]	Permanent. Additional eligibility requirements apply.
	Additional Benefits	Up to 25% of most recent regular UI claim.	High unemployment.	Must not be eligible for other unemployment benefits.
PR	Additional Benefits	(20 x WBA plus 32 x additional WBA) less maximum potential benefits payable in last benefit year.	For workers in special unemployment situation (displaced due to technological progress and/or the permanent disappearance of an industry, establishment, or occupation. Not for seasonal unemployment). Secretary determines if special unemployment situation exists.	Permanent.
WA	Training Benefits Program	74 x WBA less regular & EB benefits paid.	Targets dislocated workers from aerospace, forest products, and fishing industry.	Permanent.
WI	Temporary Supplemental Benefits	18 weeks	Must be certified as attending vocational retraining program.	Governor can elect to run this program or allow payment through federal state EB program.

### FEDERAL-STATE EXTENDED BENEFITS (EB)

Since 1970, federal law has provided for payment of EB during periods of high unemployment in a state.

**TRIGGERS FOR EB**—The following “triggers” are used to determined whether EB is payable in a particular state:

- **Mandatory** -- A state must pay up to 13 weeks of EB if the insured unemployment rate (IUR) for the previous 13 weeks is at least 5% and is 120% of the average of the rates for the same 13-week period in each of the 2 previous years. (The IUR is the ratio of the number of individuals collecting UI to the number of workers who could potentially collect UI if they lost their jobs.)
- **Optional** -- A state may pay up to 13 weeks of EB if the IUR for the previous 13 weeks is at least 6%, regardless of the experience in the previous years.
- **Optional** -- A state may pay up to 13 weeks of EB if the average total unemployment rate (TUR), seasonally adjusted, for the most recent 3 months is at least 6.5% and is 110% of the rate for the same 3-month period in either of the 2 previous years. If such rate is at least 8.0% and is 110% of the rate for

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the same 3-month period in either of the 2 previous years, the duration increases from 13 to 20 weeks.

TABLE 4-2: STATES WITH OPTIONAL TRIGGERS FOR EB					
State	<u>DOES NOT</u> Use 6% IUR Option	Uses 6.5% TUR Option	State	<u>DOES NOT</u> Use 6% IUR Option	Uses 6.5% TUR Option
AK		X	NM		X
CT		X	NC		X
DE	X		ND	X	
FL	X		OR		X
GA	X		RI		X
IA	X		SD	X	
KS		X	UT	X	
KY	X		VT		X
MA	X		WA	X	X
NH	X	X	WY	X	
NJ		X			

**FINANCING OF EB**—Half of the cost of EB is financed by the federal government from FUTA revenues. (If the state already provides for duration of over 26 weeks, the federal government will also share in the cost of any weeks beyond 26.) The federal share of EB will be reduced if a state (a) has no waiting week or permits payment of the waiting week at any time, or (b) does not round benefits down to the lower dollar. No federal sharing is available for EB costs attributable to employment with state and local governmental entities or federally recognized Indian tribes. (These entities do not pay the FUTA tax which finances the federal share of EB.)

**SPECIAL QUALIFYING REQUIREMENTS**—Generally, state law applies to the payment of EB. However, some special qualifying requirements exist:

- A worker must have 20 weeks of work or the equivalent (1-1/2 times high-quarter wages or 40 times weekly benefit amount) in the base period.
- A worker claiming EB who fails to make “a systematic and sustained” work search or to apply for or accept “suitable work” work is not entitled to EB until the worker has been employed during at least 4 weeks and has earned a total of 4 times the worker’s EB amount. Suitable work is defined as “any work within such individual's capabilities.”
- Any disqualification for voluntarily quitting work, committing misconduct, or refusing suitable work must be purged through subsequent employment.

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**REDUCTIONS IN AMOUNT OF EB**—EB paid on interstate claims is limited to 2 weeks unless both agent and liable states are in an EB period. Also, workers who received TRA before EB triggered on in a state will have their EB entitlement reduced by the number of weeks of TRA received. In addition, some states reduce the EB amount payable to a worker during a period in which federal sharing of the cost of EB is reduced pursuant to a sequester order.

Colorado	Kentucky	Missouri	North Carolina	South Dakota
Delaware	Louisiana	Nebraska	North Dakota	West Virginia
Kansas	Mississippi	New Mexico	Oklahoma	Wyoming

## TRADE READJUSTMENT ALLOWANCES (TRA)

The Trade Act of 1974, as amended, provides for adjustment assistance to workers who are unemployed or underemployed because of the adverse effect of increased imports as a result of trade arrangements permitted under the Act or because of shifts in production outside the U.S. Trade adjustment assistance (TAA) provided by the Act consists of trade readjustment allowances (TRA), relocation and job search allowances, and subsistence and transportation allowances during periods of referred training.

The Secretary of Labor has entered into agreements with state agencies whereby the agencies will act as agents for the federal government in paying TRA and other allowances to eligible workers. Payments and administrative costs are paid from federal funds.

**CERTIFICATION PROCESS**—Workers are certified as eligible to apply for TAA if a group of three or more workers, or a certified or recognized union or duly authorized representative petitions the Secretary of Labor for a determination of eligibility to apply for TAA and the Secretary determines that the importation of competitive foreign products or shifts in production outside the U.S. contributed importantly to the loss of employment at the firm mentioned in the worker's petition.

**QUALIFYING REQUIREMENTS**—To qualify for TRA the worker must have had at least 26 weeks of employment at wages of at least \$30 a week within the 52-week period ending with the week of the individual's total or partial separation from adversely affected employment. Along with other requirements to receive TRA payments, the worker must be participating in an approved training program unless it is determined that training is not feasible or appropriate.

**DURATION**—TRA is payable at the state UI rate over a 104-week eligibility period beginning with the first week after the worker's most recent TRA qualifying separation from employment. Basic TRA provides 52 weeks of income support less the UI entitlement in the Trade-qualifying UI benefit period (generally 26 weeks of UI). Additional TRA is available up to 52 weeks for a total of 104 weeks of income support. Workers whose training includes remedial education can get 26 additional weeks of TRA for a total of 130 weeks.

**SUBSISTENCE AND TRANSPORTATION ALLOWANCES**—An adversely affected worker may receive TRA while undergoing approved training. Workers may also receive subsistence and transportation allowances

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while attending training at a facility which is not within commuting distance of their residence.

**RELOCATION ALLOWANCES**—Relocation allowances are payable to totally separated workers who have no reasonable expectation of securing suitable work in the area in which they live, and who have a bona fide offer of suitable work in the area in which they wish to relocate. Relocation allowances consist of (1) a lump sum payment of up to \$1250 and (2) 90 percent of the expenses incurred in moving the workers, and families and household effects to the location of their new jobs.

**JOB SEARCH ALLOWANCES**—Job search allowances are payable to totally separated workers who have no reasonable expectation of securing suitable work in the area in which they live, and who have a reasonable expectation of securing suitable employment in the area of the proposed job search. Job search allowances consist of 90 percent of the cost of the necessary expenses incurred in the job search up to a maximum of \$1250 under a single certification.

## ALTERNATIVE USE AND DISASTER PROGRAMS

**SHORT-TIME COMPENSATION (WORKSHARING)**—Like the partial benefit provisions of state laws, short-time compensation, or worksharing, programs allow a worker who is employed for a portion of the week to collect UI. Whereas partial benefit formulas look at the worker’s earnings, worksharing looks at the hours of work.

Under worksharing, an employer elects to avoid layoffs by reducing the number of regularly scheduled hours of work for all workers. A worksharing plan must be agreed to by both the employer and, if unionized, the union and approved by the state UI agency. UI is then payable for the hours of work reduced as a proportion of the benefit amount for a full week of unemployment. Workers are not required to meet a state’s regular availability for work, actively seeking work, or refusal of work requirements, but are required to be available for the employee's normal workweek.

**TABLE 4-4: STATES WITH WORKSHARING PROGRAMS**

State	Period of Approved Plan	Required Reduction of Work	Maximum Number of Weeks Payable	Other
AZ	1 year	At least 10% but not more than 40%.	26 weeks (limitation does not apply if state insured unemployment rate for preceding 12 weeks is equal to or greater than 4%)	Tax rate increases 1% if the negative reserve ratio is less than 15%; 2% if the negative reserve ratio is 15% or more.
AR	12 months or date in plan, whichever is earlier.	Not less than 10%, but not more than 40%.	26 weeks	
CA	6 months	At least 10%.	No limit on weeks, but total paid cannot exceed 26 x WBA.	Plans not required to address fringe benefits.
CT	6 months	Not less than 20%, but not more than 40%.	26 weeks (with 26 week extension possible)	

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<b>TABLE 4-4: STATES WITH WORKSHARING PROGRAMS</b>				
<b>State</b>	<b>Period of Approved Plan</b>	<b>Required Reduction of Work</b>	<b>Maximum Number of Weeks Payable</b>	<b>Other</b>
FL	12 months	Not less than 10%, but not more than 40%.	26 weeks	1% higher maximum tax rate. Other part-time employment affects payment.
IA	24 months	Not less than 20%, but not more than 50%.	26 weeks	
KS	12 months	Not less than 20%, but not more than 40%.	26 weeks	Automatic exclusion of negative balance employers.
LA	12 months or date in plan, whichever is earlier.	At least 10%.	26 weeks	Plans not required to address fringe benefits.
MD	6 months	At least 10% not to exceed to 50%.	26 weeks	All STC benefits charged to STC employer regardless of base period charging rule.
MA	26 weeks	Not less than 10%, but not more than 60%.	26 weeks	Employers with negative balances charged as though they were reimbursers.
MN	1 year	At least 20%, but not more than 40%.	52 weeks	
MO	12 months	Not less than 20%, but not more than 40%.	26 weeks	
NY		Not less than 20%, but not more than 60%.	20 weeks	
OR	No more than 1 year.	At least 20%, but not more than 40%.	26 weeks	If employer's benefit ratio is greater than its tax rate, the employer must reimburse the excess at the end of each calendar quarter.
RI	12 months	Not less than 10%, but not more than 50%.	52 weeks	All worksharing benefits charged to worksharing employer regardless of base period charging rule.
TX	12 months	At least 10%, but not more than 40%.	52 weeks	
VT	6 months or date in plan, whichever is earlier.	Not less than not 20%, but not more than 50%.	26 weeks	
WA	12 months or date in plan, whichever is earlier.	Not less than 10%, but not more than 50%.	26 weeks	

### SELF-EMPLOYMENT ASSISTANCE (SEA) PROGRAM

SEA programs help unemployed workers to create their own jobs by starting small businesses. To be eligible for SEA payments, workers must be:

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- Eligible for UI;
- Permanently laid off from their previous jobs;
- Identified as likely to exhaust their benefits;
- Participating in self-employment activities including entrepreneurial training, business counseling, and technical assistance.

The authorizing federal law requires that no more than 5% of workers receiving regular UI may be part of an SEA program. Workers enrolled in an SEA program will receive weekly self-employment payments. These payments will be the same weekly amount as the worker's regular UI, while working full-time on starting a business.

TABLE 4-5: STATES WITH SEA PROGRAMS		
Delaware	Maine	Maryland
New Jersey	New York	Oregon
Pennsylvania	California (Has authority in law but no program)	Louisiana

## DISASTER UNEMPLOYMENT ASSISTANCE (DUA)

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) authorizes the President to provide to any individual unemployed as a result of a major disaster such assistance as the President deems appropriate while the individual is unemployed. These DUA payments are made by state UI agencies under agreements with the Secretary of Labor. Funds for both benefits and administrative costs are provided by the Federal Emergency Management Administration (FEMA) to the Secretary who, in turn, makes them available to the states.

**ELIGIBILITY**—In general, federal regulations provide that certain individuals living or working in areas affected by a major disaster who are unemployed because of the disaster are eligible for DUA even if they are not eligible for unemployment benefits or other wage replacement payments. Applications for DUA must be filed within thirty days of the Governor's announcement of a disaster in the state; the unemployment must be directly caused by the disaster; and individuals must be able and available for suitable work.

**DISASTER ASSISTANCE PERIOD**—The disaster assistance period – the period during which DUA is payable – begins with the first week following the date the major disaster began. DUA is available to an individual during this period as long as unemployment caused by the disaster continues or until he or she is reemployed in a suitable position, but no longer than 26 weeks after the major disaster is declared.

**WEEKLY ASSISTANCE AMOUNT**—Except in Guam, American Samoa, Northern Mariana Islands, Marshall Islands, Micronesia, and the Trust Territory of the Pacific Islands (Palau), the weekly DUA amount is the greater of the following: (1) the amount of the average weekly regular UI payment (including allowances for dependents) in the state in which the major disaster occurred; or (2) the weekly amount to which the individual



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would have been entitled under the state law for a week of total unemployment had all his or her work and wages been included as employment and wages under such state law.

**DEDUCTIONS**—The DUA payable to an individual for a week is reduced by the amount of any of the following that an applicant has received for the week or would receive for the week if he or she filed a claim: (1) any compensation or insurance from any source for loss of wages due to illness or disability; (2) supplemental unemployment benefits (SUB) pursuant to a collective bargaining agreement; (3) worker's compensation by virtue of death of head of household; and (4) the amount of retirement pension or annuity under a public or private retirement plan or system if such amount is deductible under the state law. In addition, the weekly DUA amount is reduced by the amount of wages that the individual earns in a week as determined by applying to the wages the earnings allowance for partial or part-total unemployment prescribed by the applicable state law.